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C O N F I D E N T I A L SECTION 01 OF 02 TEL AVIV 000799

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TAGS: PREL KWBG KPAL EG SA NO IS
SUBJECT: NORWEGIAN MIDDLE EAST SPECIAL REPRESENTATIVE
OUTLINES AHLC EFFORTS

Classified By: Ambassador James B. Cunningham, reasons 1.4 (b),(d)

¶1. (C) Summary: In an April 2 meeting with the Ambassador, Norwegian Special Representative for the Middle East Jon Hanssen-Bauer and Ambassador to Israel Jakken Bjorn Lian said Norway, as chair of the Ad-Hoc Liaison Committee (AHLC), continues to press donors to live up to pledges made at conferences in Paris and Sharm el-Sheikh in order to bolster the Palestinian Authority. Hanssen-Bauer, in meetings at the Doha Arab League Summit, had urged his interlocutors to provide immediate support for the PA budget, and not to pursue the new funding mechanism proposed by the Gulf States at Sharm. Hanssen-Bauer asked for Washington's views regarding an Arab League request to participate in the next AHLC to be held on May 4, a request which Norway is inclined to support. He noted Norwegian FM Store will raise the AHLC with Secretary Clinton and Sen. Mitchell during Store's upcoming visit to Washington. Hanssen-Bauer also expressed concern regarding Fatah's chances in the upcoming Palestinian elections. End summary.

¶2. (SBU) Hanssen-Bauer described the Arab League Summit as an "interesting circus," and said he had met with the Syrians, Saudis, Emirates, and Kuwaitis, as well as the Arab League's Secretary General Amre Moussa and UN SYG Ban Ki-moon. Hanssen-Bauer stressed during these meetings the importance of living up to pledges to the Palestinians made both in Paris and during the donor's conference in Sharm el-Sheikh. He emphasized that the priority now is to support the PA budget, and argued against setting up new mechanisms to fund projects in Gaza.

¶3. (SBU) Hanssen-Bauer outlined plans to convene the ALHC on May 4, and said Norwegian Foreign Minister Store plans to raise this with Secretary Clinton and Special Envoy Mitchell during Store's visit to Washington next week. Hanssen-Bauer said the challenge would be to convene the meeting at the ministerial level, but he was not certain FM Lieberman would attend. He said Palestinian Authority President Abbas confirmed at Doha that he would attend an ALHC in May. The Ambassador noted possible plans for PM Netanyahu to visit Washington in early May.

¶4. (C) The Ambassador asked how the Saudis responded to Hanssen-Bauer's pitch for budget support for the Palestinian Authority. Hanssen-Bauer said the Saudis were in "more of a listening mode." They made no commitment, but "took note of the problem," he said. Hanssen-Bauer said he suggested that if there were to be a new mechanism for Gulf States' assistance, it would be useful to create a standing committee to coordinate pledges, but the Saudis were "non-committal" regarding participation. He noted that the Palestinian reconciliation process potentially could endanger funding for the Palestinian Authority as donors would be likely to postpone donations while waiting to see whether Fatah and Hamas will reconcile. He speculated that working out the details of a funding mechanism for the Gulf States, and the uncertainties of the reconciliation process, might mean that the pledged assistance for Gaza from the GCC might never

arrive. In that case, he suggested, those funds should be used to support the PA budget, where the money was really needed at the moment. The Ambassador said the USG has been urging both budget support, and that all assistance to Gaza go through the PA and existing mechanisms. He welcomed that Norway was doing the same. On reconciliation, he noted that the US had made clear that any PA needs to be acceptable to the international community, and for the U.S. that means acceptance of the Quartet Principles and the integrity of the PA security forces. Hamas is currently opposed to both. Hanssen-Bauer agreed, and replied that Norway supports reconciliation, but not at any price.

¶15. (C) Hanssen-Bauer said the Arab League has requested to be included in the next AHLC ministerial meeting in May. He described this request as "tricky," and likely a result of Arab League Secretary-General Moussa's ambitions. He added that Egypt also was pushing for Moussa's participation. Hanssen-Bauer said the Arab League request was not well-received by the Israelis, although he suspected that had more to do with a reaction to Moussa personally than to the Arab League. Biorn Lian said Norway was aware of misgivings regarding Moussa, but this should not be exaggerated and added that it might be better to have Moussa "inside than outside."

¶16. (C) Hanssen-Bauer asked for Washington's views on potential Arab League participation in the next AHLC. He said that while he did not discuss the notion during his recent visit to Washington, he did raise it with former FM Livni, who did not dismiss it out of hand but did express concern that Moussa might use it as a platform.

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Hanssen-Bauer also raised it with MFA Deputy Director General for Economic Affairs Irit Ben Abba, who did not reject the idea. That said, Hanssen-Bauer was quick to acknowledge the need to check with the new Israeli government regarding its views on Arab League participation. At the very least, he noted the USD 100 million donation threshold required to participate would be a helpful contribution from the AHLC's perspective.

¶17. (C) Turning to the PA, Hanssen-Bauer expressed concern at the failure thus far of Fatah reform efforts. In Ramallah he had heard about Fatah plans to convene a party conference in April, but had not seen evidence of any preparations, which he termed a "bad sign." Hanssen-Bauer said he was reaching the conclusion that the conference would not take place, and expressed concern regarding Fatah's chances in the upcoming elections, which Hamas appears to now want to postpone for as long as two years. The Ambassador asked what Hamas had to gain from postponing the elections. Hanssen-Bauer cited polling data suggesting that Hamas support was increasing, so by delaying the elections, their chances of an outright victory would increase if present trends continued.

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